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Chairman: Mr. Niculescu ..... (Romania)

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The meeting was called to order at 10.15 a.m.

Agenda item 95: Environment and sustainable development (*continued*) (A/C.2/55/L.6)

Introduction of draft resolution A/C.2/55/L.6

1. **Mr. Nurov** (Tajikistan) introduced draft resolution A/C.2/55/L.6 on the international year of freshwater, 2003.

Agenda item 100: Globalization and interdependence (A/55/381, A/55/75-E/2000/55, A/55/74, A/55/133-S/2000/682, A/55/139-E/2000/93, A/55/157-E/2000/101, A/55/257-S/2000/766, A/55/260-E/2000/108, A/55/309, A/55/310, A/55/375 and A/55/473)

2. **Mr. Civili** (Assistant Secretary-General for Policy Coordination and Inter-agency Affairs) introduced the report of the Secretary-General entitled "The role of the United Nations in promoting development in the context of globalization and interdependence" (A/55/381). The report, consistent with resolution 54/231, focused on the transfer of information and communication technologies (ICT) and on ways to promote the contribution of the United Nations in that area.

3. Few issues had captured so much attention as that of information and communication technologies. Indeed, those technologies were a driving force of globalization, and a tool for bringing people closer together and for sharing knowledge. And yet, they bypassed many peoples and countries, particularly the developing and least developed countries which risked being left out of the information revolution and its applications. In short, they exemplified the problem referred to by the Under-Secretary-General for Economic and Social Affairs when he had spoken of "incomplete globalization".

4. The Second Committee, on the basis of the Secretary-General's report, should therefore give renewed impetus to the efforts of the United Nations system to help developing countries obtain access to and use those technologies. It should go even further and formulate practical, action-oriented conclusions in response to some of the concerns voiced at the Millennium Summit.

5. Indeed, the Second Committee debates should enable the General Assembly to move ahead in bridging the digital divide. As the Secretary-General had indicated in his report on the millennium, the digital divide could and would be bridged. There was general agreement that ensuring universal access to information and communication technologies was possible but required a sustained global effort. In that connection, the report of the high-level panel of experts, the Declaration of the Group of 77 South Summit and the communiqué of the Group of Eight called for urgent action and proposed specific measures to that end.

6. On the basis of the report of the panel of experts (A/55/75-E/2000/55), the high-level segment of the Economic and Social Council in 2000 had brought together key actors in order to develop ways of mobilizing ICT to help turn globalization into a positive force for development. In that context, the Ministerial Declaration adopted by the Council (E/2000/L.9) endorsed the proposal to establish a task force to increase the digital opportunities of developing countries and help them formulate national "ICT for development" programmes. Consultations were already under way with regard to the composition, terms of reference and working methods of the task force.

7. The report included a set of practical recommendations intended to complement those contained in the Ministerial Declaration of the Economic and Social Council. It highlighted the very important role that the regional commissions could play in the development of regional ICT strategies. Future debates of the Second Committee could help bring about progress in that area.

8. As for the Economic and Social Council, the high-level segment would be followed up by a coordination segment that would address the role of the United Nations in promoting access to knowledge and technology, focusing on partnerships with relevant stakeholders. In September 2001, the debates of the General Assembly were expected to deal with, inter alia, the problem of developing countries' access to information and communication technologies, and their integration into the global information network. The debates of the Second Committee during the current session should reaffirm the achievements of the Economic and Social Council's July session and ensure that they were carried forward to 2001.

9. **Mr. Levitte** (France) spoke on behalf of the European Union, the associated countries Bulgaria, Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovakia, Slovenia and Turkey and, in addition, Iceland.

10. The Heads of State and Government had said at the Millennium Summit that they hoped to contribute to the emergence of a more harmonious and united world economy in which developing countries would be able to take up the challenges of the twenty-first century, attain economic prosperity and achieve the objectives of human and sustainable development of their peoples. That hope must not remain a vain one.

11. The phenomenon of globalization was marked by both an increase in interdependence and a deepening of inequalities. Rapid technological change and a greater opening up of markets unquestionably offered opportunities for developing economic activities. The potential benefits of globalization were known: sustained economic growth, a higher standard of living, technological progress and the more rapid dissemination of technology and know-how. The fact was, however, that the benefits of globalization were unequally distributed among countries, among regions and even within individual countries, whether industrialized or developing.

12. While acknowledging globalization's great potential to stimulate the economic growth of the poorest countries, the European Union was concerned that certain developing countries, particularly those with the most fragile institutional and oversight structures, were unable to benefit fully from that potential. Globalization must go hand in hand with measures, at the international as well as the national level, to give it a human face and ensure that it was beneficial to all. The first step in that process would be the creation of an internal and external environment conducive to strong economic growth and social measures in favour of the poorest people. That was one of the reasons why the European Union attached such importance to good governance, characterized by transparency and inclusiveness.

13. For the European Union, guaranteeing the integration of all the developing countries into a rapidly developing world economy and reducing the risks of marginalization, particularly for the least developed and smallest economies, was a major challenge to which the international community must respond.

14. In that spirit, the European Union believed that decision-making on international economic policy must be transparent and accountable. It also set great store by the need to increase the ability of the least developed countries to make their requirements known in international negotiations. In that connection, it encouraged the United Nations Conference on Trade and Development (UNCTAD) to continue its activities to assist the developing countries in order to strengthen their capacities and ensure that development issues were taken into account in world trade negotiations.

15. In the context of an increasingly integrated world economy, the European Union also supported further efforts to promote greater policy coherence, complementarity and coordination of economic and development issues among the United Nations, the Bretton Woods institutions and the World Trade Organization (WTO). The mobilization and involvement of all development actors was essential for enhancing the effectiveness of ongoing action.

16. At its tenth session, held in Bangkok in February 2000, the United Nations Conference on Trade and Development (UNCTAD) had stressed the importance of the framing and implementation of integrated development strategies in an increasingly interdependent world. In that respect, the European Union urged a balanced approach towards the issues of globalization, integrating the social, human and environmental dimensions of development. That approach was essential for deepening the dialogue between North and South.

17. The great progress made in the areas of communications and technology had done much to speed up globalization. Those changes had led to the emergence of a new economy which was rich in potential for growth and trade, including the potential for developing countries to leapfrog traditional barriers to development. However, those changes also required countries and businesses to adopt new strategies to improve their competitiveness through better access to worldwide information networks.

18. The high-level segment of the substantive session of the Council in July 2000 had provided an opportunity to identify the scale of the technological divides not only between North and South, but also within one and the same region or country. There was

therefore an urgent need to take effective measures to overcome the digital divide.

19. As was made clear in the report submitted on the issue by the Secretariat, reducing the digital divide meant finding solutions to the problems facing the developing countries: improving their connectability and enhancing the capacity of their basic infrastructure; encouraging the transfer of technology; and ensuring a better standard of literacy and lifelong education. In the interests of preserving cultural diversity, the European Union also considered it essential that the local content of the Internet in the developing countries, and particularly in the least developed countries, should be enhanced and developed.

20. In the view of the European Union, the sharing of knowledge was essential for the effective involvement of the developing countries in the world economy; it must be ensured that practical and effective measures were taken to move towards greater equality of opportunity for access to information and communication technologies.

21. To attain that goal, the entire international community: international, regional and local players, needed to be mobilized, while not forgetting the importance of the dynamic involvement of civil society, local authorities and the private sector in funding and implementing the projects that were devised.

22. The United Nations was already doing much to combat the digital divide. It needed to do more. The specific know-how acquired and developed in the area by the International Telecommunication Union (ITU), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the World Intellectual Property Organization (WIPO), the United Nations Development Programme (UNDP), UNCTAD, the United Nations Commission on International Trade Law (UNCITRAL) and the United Nations Development Fund for Women (UNIFEM), to name but a few, was helping to anticipate the dangers involved in the divide and to reduce the technological gaps.

23. The European Union considered that coordination of the action taken by the United Nations agencies should be stepped up. In that respect, the Economic and Social Council resolution proposing the establishment of a task force under the aegis of the Secretary-General could encourage greater complementarity and consistency of the activities of the United Nations funds and agencies. The coordination segment of the substantive session of the Council in 2001 could also contribute to that goal, as well as the next human development report of UNDP.

24. Lastly, faced with the multiplicity of international initiatives, such as the Digital Opportunities Task Force created at the summit meeting of the Group of Eight at Okinawa, it was important for the various multilateral forums involved, including the United Nations, to be able to propose consistent action. It was thus more necessary than ever to improve communications and complementarity between those various bodies and to avoid duplication at all costs.

25. **Mr. Valdivieso** (Colombia), speaking on behalf of the States members of the Rio Group, said that globalization and the revolution in information technologies were closely linked. Globalization had forced the main actors on the international scene — States, the business sector and civil society — to adapt rapidly to that new reality. The Internet, through its networks, had helped to produce better informed consumers; in addition, the ease of using digital information made it possible for an infinite array of services to be offered free of charge.

26. The Rio Group believed that the impact of globalization not only in the economic sphere but also in the daily lives of individuals made it necessary for the international community to prepare to meet the challenges which lay ahead. It should not be forgotten that at present the masses who were barely able to meet their basic needs were completely excluded from the information highway. The United Nations had a key role to play in preventing the digital gap from widening; the Rio Group supported the declaration adopted by the Council at its recent high-level segment, and particularly the decision to establish a working group to deal with that situation and help the developing countries join the modern world. It also believed that the initiative launched by the Secretary-General concerning a consortium of volunteer corps which would train groups in the uses of information technology was of particular importance and welcomed the "global compact" initiative launched by the Secretary-General.

27. It was important for Governments to commit themselves to investing in education and science in order to alleviate the harsh effects of globalization. The member countries of the Rio Group believed that the

process of globalization must take into account the needs of the weakest. They had taken steps to strengthen their institutional and political structures in order to take advantage of globalization and limit the risks inherent in that process: that had led to a better allocation of resources, freer circulation of knowledge, improvements in public administration and a more open and competitive environment. Although the region had suffered from capital instability and the resulting financial crises, it should be stressed that the regional integration processes which were being pursued had helped consolidate democracy, increase the potential of each country, whose opportunities for growth had been improved by attracting direct foreign investment, and facilitate insertion into the world economy.

28. The Rio Group believed that integration had served as a vehicle for accentuating the positive elements of globalization. Regional integration meant more than market liberalization: it involved linking the interests of the countries involved based on their geographical, economic, political . and cultural affinities, and consolidating the presence of the region in the modern interdependent world.

29. **Mr. Leiro** (Norway) commended the report submitted by the Secretary-General on agenda item 100 entitled "Globalization and interdependence". The rapid development of information and communication technologies had revitalized international trade and stimulated the globalization process. Information and knowledge had emerged as strategic factors in economic and social progress. Several developing countries had had positive experience in that respect, as was demonstrated by the Small Island Developing States Network (SIDSNET).

30. However, those immense possibilities were far from being fully utilized. The digital divide between developing and industrialized countries reflected the huge inequality in the global economy. Africa, for example, which had 20 per cent of the world's population, had only 2 per cent of the world's telephone lines, and its access to the Internet remained marginal.

31. Norway endorsed the Secretary-General's recommendation concerning the need to support the creation of knowledge locally and to address concerns about cultural intrusion, language barriers and the social impact of the new economy. Ideas and values originating in developed countries and reflecting Western culture could come in conflict with the values of local communities in developing countries. The Internet must never become a place where the rule of law did not apply. The establishment of the Health InterNetwork announced by the Secretary-General was an example of how new technology could be put to work to meet basic human needs.

32. Norway welcomed the proposal in the ministerial declaration of the Council (E/2000/L.9) to establish a United Nations digital task force in a manner that could forge a strategic partnership between the United Nations system, private industry foundations, donors and other relevant stakeholders. It was encouraging that the consultation process with all stakeholders was already under way.

33. He wished to underline some of the strategic lessons learned from the experience that had been gained which should guide the future role of the United Nations system in the area of information and communication technologies. First, a national legal and regulatory framework conducive to development in the field of information and communication technologies was of overriding importance; the dissemination of information and best practices must be promoted to help countries to develop appropriate institutional arrangements and sound investments. Second, there was a need to invest in human resources development and to build national competence and institutional capacity in the form of partnerships between governments, universities, research institutes and the private sector. Third, programmes that stimulated South-South cooperation were a strategic necessity for the creation of local knowledge and for use of information and communication technologies that could improve people's lives. Fourth, problems must be approached in a way that was gender neutral. In Bangladesh, for example, experience had borne witness to the benefits of giving women equal opportunities in the field of information and communication technologies.

34. Finally, he stressed that the role of the United Nations in the area of information and communication technologies must be based on partnerships with all relevant stakeholders, including the private sector. The Organization must define its role clearly and make a contribution that was relevant at all times.

35. **Mr. Patrício** (Mozambique), speaking on behalf of the Southern African Development Community (SADC), said that SADC associated itself with the statement made by the representative of Nigeria on behalf of the Group of 77 and China. The report of the Secretary-General on globalization (A/55/381) addressed the transfer of information and communication technologies to developing countries, a crucial element in reducing the digital divide between the developed and developing countries which was shaping the contours of globalization. SADC welcomed the decision of the Economic and Social Council to create a task force and a trust fund for information and communication technologies as a follow-up to the Ministerial Declaration of the 2000 high-level segment. The Millennium Summit had also singled out globalization as one of the most pressing current challenges. Its main characteristics were the information revolution, growing interaction and interdependence among countries, the liberalization of trade, investments and capital markets, as well as new policy and decision-making processes. Globalization was having different effects around the world; some developed countries were living in abundance, while the large majority of developing countries, including the entire African continent, were being increasingly marginalized. The burden of globalization was unevenly shared and countries with different levels of development were asked to compete in the global economy. Without eliminating market rules, it was necessary to give a human face to globalization from a perspective of sustainable and equitable development. Globalization must become a positive force for all the world's people. The member countries of SADC had already undertaken initiatives at the regional level aimed at fostering peace, stability and greater cooperation and economic integration. The region had recorded important achievements in the economic sphere, in particular positive growth rates, rates of inflation below 10 per cent and a reduction in budget deficits. SADC had also established a regional framework to facilitate the integration of its member countries into the global economy; at the Summit of Heads of State and Government held in Windhoek, Namibia, its leaders had ratified the entry into force of the SADC trade protocol, an instrument that would ensure the opening of the regional market as well as the free movement of people, goods and services. However, SADC, being comprised of developing countries, needed international cooperation and assistance, in particular, adequate flows of official development assistance, foreign direct investment and access to world markets. It also needed external debt cancellation without conditions. The SADC countries would thus have the possibility of investing in such social sectors as health, education, sanitation and other basic infrastructures. Globalization was a process that could benefit all countries of the world provided that the international community showed the necessary political will to harness it properly. The main objective was the globalization of development.

36. **Mr. Herawan** (Indonesia) said that Indonesia knew only too well that the great challenge facing the international community was to transform globalization into an effective instrument of growth and development and that it was essential to integrate economies into the emerging knowledge-based global economy. The importance of information and communication technologies could not be overstated; such technologies were a strategic factor of economic and social progress and were transforming the production and consumption processes, as well as the way of life. The importance of those technologies had been reaffirmed frequently, in particular during the 2000 high-level segment of the Economic and Social Council, the South Summit held in Havana in April 2000, the Okinawa Charter on the Global Information Society adopted by the Group of Eight in late July, and at the Millennium Summit in September. Nevertheless, the lives of billions of human beings, particularly those living in developing countries, remained untouched by the digital revolution; only 5 per cent of the world population could claim connectivity, mostly in the developed countries. New technologies were a double-edged sword for the developing countries, holding out unprecedented opportunities, but raising the level of competition too high for their current capabilities. The current phase of globalization was characterized by the fact that knowledge had become a source of competitive advantage and was increasingly embedded in the production process itself. Many obstacles remained, including access to and transfer of information and communication technologies to the developing countries. The successful use of such technologies in the service of development could make a real difference; that required investment in infrastructure, including institutional capacities and human resources. Unless access to information and communication technologies was broadened, the digital divide could widen further and millions of people,

particularly in the developing countries, would be further marginalized. The many obstacles on the road to successful development and integration into a knowledge-based economy must be overcome. The Ministerial Declaration of the Economic and Social Council could serve as a basis for a global agenda for action, as it contained specific recommendations concerning the role of the United Nations in the promotion of information and communication technologies in the service of development, in particular, the establishment of a digital task force.

37. **Mr. Own** (Libyan Arab Jamahiriya) said that globalization was a new and very powerful phenomenon that was causing worldwide upheaval in all spheres. Its major manifestation was economic interdependence among international markets, large corporations and the three major international institutions: the World Bank, the International Monetary Fund and the World Trade Organization. The financial markets no longer had borders and no State could regulate financial operations within its territory. The lessons learned from the East Asian crisis showed that the collapse of financial markets could shake the economies of countries throughout the world.

38. In the *World Development Report*, 1999-2000, the World Bank had stated that the developing countries could still experience disorder and human suffering because of the rapid pace of globalization, which could have positive effects but could also be very dangerous for the developing countries, possibly marginalizing them completely on the economic level.

39. The international community was interested above all in the opportunities offered by globalization and the challenges that must be faced in that connection. Experience had shown that, thus far, for many countries, developing countries in particular, the cost was high. The least developed countries were even more severely affected. For example, the gap was widening between the developed and the poorest commodity-exporting developing countries.

40. Globalization was based on the opening up and liberalization of the economy and was not concerned with improving the world economy or the international financial system, nor with the social dimension of development. The opportunities for international organizations, for example the United Nations Development Programme, to intervene had diminished, because, year after year, the rich countries were reducing their contributions to core resources. Official development assistance had continued to decline since the Rio Conference, during which the developed countries had made a commitment to allocate at least 0.07 per cent of their gross national product to development. Few countries had met that objective, and the others must demonstrate the political will necessary to reach it.

41. The first to suffer from the adverse effects of globalization were the poor and vulnerable groups such as children, women, the elderly and the handicapped. It was safe to say that the overwhelming majority of developing countries suffered from the adverse effects of globalization.

42. Without global economic growth, economic development could not bring about a sustained increase in the incomes of the poor. The shortcomings of the international economic system needed to be corrected in order to enable developing countries to benefit from globalization. A system which operated in accordance with established rules needed to be put into place at the international level. The East Asian crisis had demonstrated the need for a stable and sound international financial system. A realistic approach must be taken with respect to the debt issue.

43. His delegation endorsed the statement of the UNCTAD Secretary-General that industrialized countries should reconsider their strategies from a viewpoint that went beyond economic considerations and took into account moral issues such as justice, equity, compassion and solidarity. History would judge progress achieved in the twenty-first century on the basis of progress with respect to equality between peoples.

44. **Ms. Hormilla Castro** (Cuba) said that her delegation accorded great importance to the issue of globalization, to which considerable attention had already been devoted at various high-level conferences such as the Havana South Summit and the Millennium Summit. It had been stressed at those conferences that the countries of the South had not been able to derive the same benefits that developed countries had from globalization and that they had in fact been prevented from benefiting from the process. It was becoming increasingly clear that, rather than providing lasting solutions to the basic problems of developing countries, the imposition of the neoliberal model merely made them more vulnerable. While the

financial markets had apparently recovered from the crisis which had spread from South-East Asia, mankind still remained vulnerable to similar, if not worse crises. A fundamental reform of the international financial system and its institutions was urgently needed in order to address the interrelated problems of international finance, trade, technology and development. Moreover, the process of globalization and interdependence should not be used as a pretext for undermining or reinterpreting the principles and objectives of the Charter of the United Nations, or failing to fully observe international law, which constituted the bases for establishing ties of peace and friendship among States and for the peaceful settlement of conflicts.

45. She welcomed the report entitled "The role of the United Nations in promoting development in the context of globalization and interdependence" (A/55/381) which, together with other recent debates of the Economic and Social Council and the Council's ministerial declaration, provided substantial guidance to understanding the role of the United Nations in a field as revolutionary as that of information and communication technologies, which were vital to participating in the new knowledge-based world economy. While information and communication technologies obviously had a tremendous potential for promoting development, their impact would be very limited if they were not accompanied by a comprehensive social development programme in Third World countries. The international community needed to undergo a fundamental change in order to prevent a widening of the gap in access to information and knowledge. Recognition of the principle of the universal right to information called for the establishment of a new world communications and information order that guaranteed more equitable distribution as well as linguistic and cultural diversity of digital information. The United Nations should spearhead the world's efforts to coordinate the implementation of measures in the area of information and communications in order to ensure that developing countries would be able to benefit from and participate in that revolution. South-South cooperation was another important dimension of international cooperation in that area. The South Summit held in April 2000 in Havana had stressed the need to give a fresh impetus to such cooperation as an effective means of streamlining the collective potential of countries of the South and promoting development through the mobilization and exchange of human resources.

46. **Mr. Petrov** (Russian Federation) said that for a long time the growing interdependence of national markets for goods, services, capital and labour had been viewed exclusively as a progressive phenomenon that contributed to the spread of economic growth and to a more efficient use of the world's resources. At the same time, the risks connected with globalization, which represented a threat to the economically vulnerable countries, had gone unnoticed and had been underestimated. It was only the wave of financial crises that had buffeted several regions in the 1990s that had revealed not only the dangers inherent in globalization, but how ill prepared the international community was to deal with its adverse effects. The extent of the task of converting globalization into a positive and beneficial force for all the peoples of the world had been assessed at the recent Millennium Summit, where globalization had been recognized as the main challenge facing the international community as it entered a new century. An international strategy oriented towards the creation of a stable environment for sustainable development that took into account the impact of globalization needed to be formulated as an effective and comprehensive response to that challenge. As one of the most universal and representative bodies for multilateral cooperation, the United Nations had made the most significant contribution towards the formulation of such a strategy. It played a significant role as an intermediary by reconciling interests and eliminating disagreements between countries. The Organization's comparative advantages should be used to the fullest extent possible in undertaking a profound review of what was at stake in globalization in order to take advantage of its benefits and minimize the costs connected with it in the interest of all Member States, taking into account the Secretary-General's proposals and the recommendations of the latest session of the Economic and Social Council. Those issues should be at the heart of the international development strategy being formulated for the next decade. The search for concerted approaches to global issues of development, including in the areas of international trade, financial relations and external debt, should be undertaken in close collaboration with the Bretton Woods institutions, the World Trade Organization and other multilateral organizations. In his view, the new strategy should take into account the fact that radical transformations were needed in many multilateral organizations and management mechanisms if they were to be adapted to

the context of globalization. The increasing integration of national economies into the world economy coupled with the growing openness of world markets called, in particular, for the strengthening of the international financial system, the regulation of multilateral trade and greater coordination of macroeconomic, trade, financial, environmental and development policies in order to put the international community in a better position to respond immediately to the first signs of crisis and prevent global upheavals. In that context, action by the United Nations to combat poverty, which represented a threat to sustainable development, together with the implementation of effective national policies in the social sector, should be supported. United Nations agencies operating in the field had acquired valuable experience in that regard and had a great potential to provide effective assistance to developing countries and countries in transition.

47. There was serious concern about the disparities in the levels of development of various countries which was compounded by the widening gap in information and communication technologies. The digital divide between the highly-developed countries and the rest of the world might lead to irreversible consequences. Special attention should be devoted to those problems in the new strategy. In view of the prospects that the digital divide offered humankind, and in order to ensure that all benefited equally from its fruits in the interest of sustainable development, issues relating to information and communication technologies should be included among the priority activities of the United Nations.

48. **Mr. Popov** (Belarus) said that many recent international events had helped to shape the international economic, trade and financial cooperation agenda in the context of globalization. In nearly all cases, the events had reflected the unique role played by the United Nations both as a catalyst for the political will of States and a key organizational factor. The Millennium Summit and the Final Declaration adopted at the end of the Summit had been a logical outcome of that process. He assumed that all those events reflected the views of the overwhelming majority of States about the Organization's role in international economic relations in the twenty-first century. He was firmly convinced that, because of its universal calling, the United Nations had the legitimate right and duty, in cooperation with its multilateral partners, to contribute to improving the international trading and financial system in the context of globalization and to making it more transparent, predictable and equitable.

49. The expansion of opportunities for putting information and communication technologies (ICT) in the service of development was one of the most important factors in the integration of States into the global economic system. The technological advances made in that area had radically altered the structure of the contemporary economy, and ICT had become vitally important in the globalizing international economic system. Because many countries were not in a position to take advantage of those technologies, a "digital divide" had emerged, particularly to the detriment of the least developed countries. That situation required urgent action on the part of the international community. In that connection, he was pleased that the United Nations had played a central role in mobilization efforts. The Ministerial Declaration adopted by the Economic and Social Council (E/2000/L.9) at the high-level segment of its 2000 session had proposed an unprecedented scheme combining national and concerted international efforts to give Governments more opportunities to put ICT in the service of development. The international conference on electronic commerce held in Minsk from 18 to 20 October 2000 within the Commonwealth of Independent States and among the Eastern European countries bore witness to the importance which Belarus attached to the need to establish a solid link between national, regional and global actions in that area, as mentioned in the Declaration.

50. Belarus believed that the United Nations system should support the concrete initiatives taken by States to develop their national ICT potential. In that connection, the relevant measures set out in the report of the Secretary-General on the role of the United Nations in promoting development in the context of globalization and interdependence (A/55/381) were a step in the right direction, particularly those involving the provision of advisory services to developing countries in the formulation of policies, the improvement of legal and institutional frameworks and the creation of a favourable climate for investment, as well as the idea of enhancing ICT components in regional and national capacity-building programmes of the United Nations system. The time had come to strengthen cooperation in the area of ICT not only among the competent agencies, funds and programmes

of the United Nations system, but also with all multilateral United Nations partners, particularly the Bretton Woods institutions and the World Trade Organization (WTO). In that context, Belarus looked forward to the negotiations on the definition of the mandate of the ICT task force.

51. **Mr. Ahmad** (Pakistan) said that he associated himself with the statement made by the representative of Nigeria on behalf of the Group of 77 and China. With respect to information and communication technologies, the role of the United Nations was to place ICT in the service of development and to provide leadership in harnessing market forces for development and minimizing their negative impact on social development. The beneficiaries of globalization believed that the latter offered immense opportunities for all, that the income and technological gaps would be narrowed in the long term and that the developing countries only needed to prepare themselves by acquiring appropriate skills to benefit from the process. In reality, globalization had impoverished a large majority while gaps continued to widen, leading to deepening poverty and social disintegration. Globalization and rapid mobility of capital in a world of abundant labour were helping the economic elite, but harming a much larger group of people who were not at the pinnacle of the worldwide distribution of income and wealth. Economic globalization represented the triumph of capital over labour; it was an ideology for perpetuating the interests of capital. Globalization of the economy in terms of production and the trade of goods was still relatively superficial and the movement of labour was highly restricted. Globalization was rewarding investors who did not create wealth, but simply extracted and concentrated existing wealth. It was a form of corporate colonialism: the developed countries intervened on behalf of their multinational corporations to ensure smooth operations in the host countries. Usually, those corporations manipulated the economic policies of the host Governments to their advantage. The advocates of globalization claimed that it was inevitable; in fact, the rich nations had been the major force in spreading the message of globalization, and remained its primary beneficiaries. However, only countries that had the necessary tools could benefit from the phenomenon, and the developing countries did not have access to those tools; instead, they were victims of widening disparities. Accordingly, the time had come to end those inequalities and to explore other means of benefiting the large majority of the world's people; otherwise, poverty and deprivation would increase.

52. **Mr. Habte** (Ethiopia), after associating himself with the views expressed by the representative of Nigeria on behalf of the Group of 77 and China, said that globalization, driven by the liberalization of trade, the deregulation of capital markets and unprecedented progress in technology, particularly in the areas of information and communication, had had a profound impact on all aspects of international relations. While it was indeed worthwhile to identify the contributions which that process could make to development and social well-being, the reality was that globalization had served to generalize social inequality and marginalization while aggravating poverty and instability in the third world. That situation was a source of concern for the developing countries, particularly the least developed countries (LDCs), which relied on exports of primary commodities and were extremely vulnerable to price fluctuations in international markets.

53. Globalization undoubtedly could benefit the world as a whole, if harnessed and properly managed. Cross-border trade, finance and investment flows should be guided with a view to creating prosperity for all; the international community must increase its support for the most disadvantaged countries to improve their integration into the world economy; and developed countries should grant predictable, duty-free and quota-free market access to all exports originating from developing countries, particularly LDCs. Owing to their weak supply capabilities, LDCs needed technical and financial assistance from the international community to build the institutions and infrastructure necessary to support their export industries and attract investment. In that regard, it was necessary to ensure effective follow-up of the High-level Meeting on Integrated Initiatives for Least Developed Countries' Trade Development, held in October 1997 under the auspices of WTO, through concerted efforts by the various development partners concerned: the United Nations Conference on Trade and Development (UNCTAD), WTO, the International Monetary Fund (IMF), the World Bank, the International Trade Centre (ITC) and the United Nations Development Programme (UNDP).

54. With respect to debt, which was a heavy burden for LDCs, it was necessary to take concrete measures for debt relief, debt cancellation and increased

concessional terms. Creditors and international financial institutions should work together to expedite the implementation of the Heavily Indebted Poor Countries (HIPC) Debt Initiative. In addition, development partners should honour their official development assistance (ODA) commitments to reverse the current declining trend. With respect to foreign direct investment, which was an essential vehicle for development that had, as yet, yielded very few benefits for the African countries, despite their efforts to create a liberal, stable and attractive economic environment, investor countries should expand investment opportunities for LDCs, inter alia by underwriting perceived commercial and political risks in those countries.

55. Another factor that prevented the developing countries from reaping the benefits of globalization was their insufficient access to information and communication technologies (ICT), on which their participation in the knowledge-based economy would depend. Developing countries, particularly those in Africa, should receive assistance in strengthening their telecommunications infrastructure and service capacity, inter alia through the transfer of technology and training. As indicated in the Ministerial Declaration (E/2000/L.9) adopted by the Economic and Social Council at the end of the high-level segment of its 2000 session, urgent actions were needed to bridge the digital divide through appropriate institutional mechanisms. The ICT task force chaired by the Secretary-General could play a pivotal role in forging partnerships between Governments, the private sector and multilateral agencies to mobilize the financial and technical support which the developing countries needed to address their lack of ICT infrastructure and know-how.

56. No less important were the operating methods of the World Trade Organization, which should take account of the development needs of the least developed countries, granting them more flexible terms of membership in the light of their trading and financial situation. In that sense, his delegation endorsed the proposal of the Secretary-General concerning the promotion of policy coherence, complementarity and cooperation, without which, it had been difficult to cope with the problems caused in the preceding millennium by the international financial system and trade regime. It was especially important to give special treatment to the developing countries in trade, financial cooperation and the transfer of technology, including ICT, to enable them to attain a level of industrialization at which they could participate on an equal footing in the international economy. Full integration into the international economy would permit those countries, especially the African countries, to achieve a rate of economic growth that would permit them to recover lost ground. To that end, international economic cooperation for development should be made to serve exclusively the efforts of the developing countries, and the decision-making processes, especially in the field of trade and finance, should be democratic and transparent in order to ensure full participation by those countries. The financial and monetary architecture should be seriously reviewed in order to ensure the stability of the financial markets and increase the volume of resources allocated to development in the countries of the South. His delegation was convinced of the need to develop innovative measures, in the context of renewed partnerships, in order to make globalization a tool of development, equity, integration and prosperity for all countries and peoples.

57. **Mr. Palanimanickam** (India) associated his delegation with the statement made by the representative of Nigeria, as Chairman of the Group of 77. In the Millennium Declaration, world leaders had said that the central challenge to be faced today was to ensure that globalization became a positive force for all the world's people. Globalization must support the social and economic development objectives of the developing countries. The choice was not between globalization and isolation. Rather, the debate must focus on the terms on which globalization should progress; it must serve the objectives of Article 55 of the Charter and its ultimate goal should therefore be the welfare of peoples and the full development of their potential. It must be an expression of the commitment of the international community to work together to build a new global order based not just on politics and the economy, but on universal ethics and on the fundamental values clearly outlined in the Millennium Declaration as being essential to international relations in the twenty-first century. Human beings had interacted with one another for thousands of years, but the modern phenomenon of globalization was different because of its startling rapidity. It was underpinned by the new communication technologies and the driving force of surplus capital flows in search of the most profitable investment opportunities, with their

hurricane-like ability to destroy lives, jobs, traditions and communities.

58. It would of course be a dull world if new ideas, gadgets and techniques did not capture people's imagination. However, the fascination with the new should not be at the cost of real experience and felt needs. The digital revolution represented, above all, an opportunity to create wealth for spending in the old economy, a means for satisfying other needs and a more efficient tool for development. To be successful, information technology must serve humanity and its development, and for that purpose it must reach out to the masses and encourage local content. In the field of ICT, technology often determined content. Moreover, many technologies useful to the developing countries were not accessible, because of dual-use technology control regimes. Appeals for a universal agreement, under the auspices of the United Nations, negotiated in an open, transparent and inclusive manner, to promote the transfer of such technologies for peaceful purposes had so far been in vain. The globalization driven by ICT must not bring back the centralized autocratic or oligarchic regimes which it was to be hoped, had died with the twentieth century, but must be based on a free flow of ideas. The United Nations must therefore focus primarily on the critical issue of technology transfer.

59. His delegation shared the view of the Secretary-General that knowledge had become a source of competitive advantage and was increasingly embedded within the production process. However, the availability of vast quantities of information should not be confused with knowledge. Globalization could produce a rich diversity of ideas, views and cultures, but there was no guarantee that it would be used to liberate rather than to dominate, to assist rather than to exploit. Concerted action was needed at the international level to prevent information technologies from being used for evil purposes in the world, for terrorism, money-laundering, drug trafficking and cyber-crime. Within the knowledge economy, information must at all costs be prevented from being used as a weapon of division, domination, oppression and hatred.

60. **Mrs. Khan Cummings** (Trinidad and Tobago), speaking on behalf of the States members of the Caribbean Community (CARICOM), said that they welcomed the recommendations in the Secretary-General's report (A/55/381) concerning the problem of the transfer of information and communications technologies in the era of globalization. They advocated careful examination of the recommendations relating to the promotion of action by the United Nations in that respect and the integration of ICT components in programmes for strengthening regional and national capacities.

61. Since the fifty-third session of the General Assembly, when they had taken part in the decision to place the question of globalization and interdependence on the agenda, the CARICOM countries had worked hard with the rest of the international community to redefine the role that the United Nations could play to promote development in that context. They hoped that the subsequent decisions taken at the special session of the General Assembly on small island developing States, at the South Summit and at the Millennium Summit would be implemented.

62. The CARICOM countries were no less interested in the question of the supremacy of ICT, especially with regard to the conditions of access for developing countries. ICT had become a source of competitive advantage within the production process, in a knowledge-based economy which was not open to everyone. The 19 per cent of the world's population living in the developed countries accounted for 91 per cent of all Internet users and there was a need to connect all communities by the year 2004, as recommended by the group of experts convened in April 2000. Although information and communication technologies were a valuable tool for enhancing competitiveness and growth in key sectors of the economy, they must be combined with other factors such as market access for goods and services, financial and technical assistance and foreign direct investment to support efforts towards development and the eradication of poverty. ICT alone could not meet all the challenges of development.

63. The CARICOM countries had been granted special and differential treatment in several international agreements because of their vulnerability — small territory and populations, limited natural resources, dependency on primary products and resulting low competitiveness — and the lack of diversification of their economic activities, some of them being dependent solely on banana exports. In the era of globalization and trade liberalization, it was especially important to grant special treatment to those countries to enable them to meet the new demands

being placed on them. However, in the new environment of the World Trade Organization, that principle was being phased out. Instead, there was a decline in direct foreign investment; markets were being closed; the transfer of the technology which was fundamental in meeting development needs was in decline; there was instability on the financial markets, owing to a lack of corrective institutional mechanisms; official development assistance was being reduced; and small States were being increasingly marginalized in the multilateral trading system, and were environmentally vulnerable and susceptible to natural disasters. Flexible application of a broader set of criteria was therefore needed in order to ensure that small States, such as the States members of CARICOM, qualified for special treatment in trade and development assistance in order to promote their economic sustainability and long-term growth.

64. The Committee had focused primarily on those aspects of globalization which were linked to market liberalization and integration into the global economy, such as ICT. It was now important to address the social and political impact of globalization. The financial and trade institutions which guided the process should be reshaped, and capacities should be developed at the national and international levels to deal with the phenomenon. Greater coherence was needed in international policy-making, because of the growing interrelationship of trade, monetary and financial policy with social and environmental issues. The CARICOM countries were committed to trade liberalization, which was essential to growth and development, but they believed in an open, free and fair international trading system in which benefits would be equitably distributed and developing countries would have a voice and be able to achieve a sustained level of economic development. They were therefore ready to play their part in setting up political infrastructures to manage that process, while respecting the principles of justice and equity and preserving mutual interests.

65. **Mr. Al-Haddad** (Yemen) recalled that in the Millennium Declaration the members of the Organization had stated that they were convinced that the central challenge today was to ensure that globalization became a positive force for all the world's people. The Second Committee had a mandate to deal with economic, financial and commercial questions, which followed from the mandate of the Organization in those areas. Globalization was a new context for economic actors and economic activities throughout the world. It offered numerous possibilities in terms of the gradual removal of obstacles to trade and movement of capital in parallel with technological advances, especially in the field of information and communication technologies. But progress linked to globalization was a source of concern because only a minority of countries, mainly the most developed, benefited from it. It was in the area of means of communication that globalization had the most noticeable effects, with the opening up of markets permitting an exchange of ideas, technologies and investments, but those beneficial effects had been circumscribed and weak economies had been threatened with collapse, especially the least developed countries, which devoted the bulk of their revenue to debt repayment.

66. Other countries, like Yemen, had difficulty participating in globalization because they encountered obstacles, but they were making strenuous efforts to do so through initiatives which had serious consequences on the social level. For example, the liberalization of markets required governments to remove food subsidies, which had the effect of creating tensions among the population. Generally, structural adjustment measures taken on the advice of the international financial institutions had had the same effect. The international community must therefore ensure that sufficient aid was given to help the least developed countries to acquire the capacities necessary for developing their economies, thereby participating in globalization by being able to penetrate world markets.

67. Yemen had succeeded in stabilizing its currency's rate of exchange against the United States dollar, thereby putting an end to the negative effects which exchange rate fluctuations had had on the local currency and therefore on the balance of payments deficit caused by reduced productivity of national plans.

68. At the same time as globalization, confidence was being restored in the United Nations as the body playing a key role in correcting the negative effects of globalization. The Millennium Assembly had given the General Assembly a clear mandate in that regard which went beyond resolving economic problems related to globalization and enabled peoples to realize their social and political aspirations. To that end, and in the light of the principles of interdependence, the developing

countries must take part in global economic growth, and for that to happen it was necessary to support global development operations and open up markets to their agricultural and industrial products. The world economy could prosper on a long-term basis only if it was based on common fundamental values and practices and aimed at broader and more global social objectives.

69. There was an imbalance between the success of efforts to draw up rules for facilitating access to world markets and the support given to the achievement of the relevant social objectives, whether in terms of working conditions, human rights or poverty relief. In the formulation of world economic policies and allocation of their costs and benefits, it was essential to be fair and endeavour to meet the needs of the developing and developed countries, by rethinking the values on which international relations were based, while respecting the aims and principles set out in the Charter of the United Nations.

70. **Mr. Shinkaiye** (Nigeria), speaking on behalf of the Group of 77 and China, said it was certain that the central challenge facing the international community at the beginning of the twenty-first century was how to ensure that globalization benefited humanity as a whole, and not just a few industrialized countries. Thus, efforts should be focused on determining how the main instruments of globalization, namely international trade, international financial transactions, foreign direct investment and information and communication technologies (ICT) could promote integration of the world economy in such a way that developing countries could take advantage of the opportunities created by that phenomenon. At the tenth session of the United Nations Conference on Trade and Development, it had been noted that the priority task was to ensure that appropriate global macroeconomic policies were adopted to complement the efforts of developing countries to ensure equitable sharing of the benefits of globalization. The programme of action adopted by the Group of 77 at the South Summit at Havana, Cuba, drew attention to the impact of globalization on all aspects of life. The Group had noted that globalization could be a powerful and dynamic force for strengthening cooperation and accelerating growth and development but that it also presented risks and created difficulties. It had pointed to empirical evidence showing that the gap was growing between the developed and developing countries in the wake of globalization, and concluded that the prime objective should be to make globalization beneficial for all countries and peoples. At the annual meeting of the World Bank Group, it had been emphasized that, while globalization gave workers employed in one part of the world the opportunity to develop their potential, it could at the same time cause anxiety about decisions taken in far-off lands and about their impact on the lives and jobs of others. That was why the Group of 77 welcomed the emphasis placed by the United Nations and the Bretton Woods institutions on the issue of the transfer of ICT to developing countries and, in particular, on the coordination of policies in the field of finance, trade, technology and development at the global level in order to optimize the benefits of globalization.

71. The Group of 77 recognized that ICT were required to play a decisive role in the new global economy and were also critically important for the integration of the developing countries in an increasingly interdependent world economy. It was that realization which had led the Group of 77 at the Havana Summit to launch an appeal for effective international cooperation to bridge the ever-widening digital divide; it was an initiative similar to that contained in the report before the Committee (A/55/381). The United Nations was uniquely placed to encourage the transfer of technology, in particular ICT, to developing countries where they were most needed. Indeed, the various activities of the organizations in the United Nations system, enumerated in the report, showed that they were determined to develop strategic approaches to the global information economy and society. If properly coordinated, those activities could help developing countries to leapfrog into the development process. The recommendations contained in the Ministerial Declaration adopted following the high-level segment of the Economic and Social Council (E/2000/L.9) provided a useful reference point for the action to be taken.

72. The total volume of electronic commerce transactions was projected to reach US$ 7,000 billion by 2004, but only 5 per cent of the world's population, which was concentrated in the developed countries, would benefit from that technological progress. Those figures illustrated the lopsided nature of the development of ICT in the world today. Above all, they demonstrated that the developing countries faced a more and more difficult task in bridging the divide.

The international community, and especially the United Nations, had an obligation to assist developing countries to be part of the digital revolution. Other international actors should also come to their aid, in accordance with the recommendations made by the high-level panel of experts on information and communication technologies. The Group of 77 was of the view that the recommendations regarding proclamation of the right to universal access to ICT, the creation of a task force to bring together multilateral development institutions, the private sector, foundations and trusts to facilitate investment and the expansion of the market for ICT in the developing countries, and the establishment of a fund to assist developing countries to implement their own ICT programmes were worthy of special attention.

73. At a time when the developing countries were grappling with the problems of debt, poverty, unemployment, the HIV/AIDS pandemic and other dreaded diseases, the Group of 77 shared the view that the possibilities created by the ICT revolution could help in finding solutions. They welcomed the creation of the Health InterNetwork and the UNITeS initiative. It was pertinent to recall that at the South Summit the developing countries had also taken several initiatives to foster South-South cooperation in the area of information technology. They urged the agencies of the United Nations to assist in that context, particularly as envisaged in the Havana Programme of Action.

74. **Mr. Lisk** (International Labour Organization), focusing on the impact of ICT on the world of work, said that globalization had brought with it opportunities for trade expansion and consequent economic growth within States, but had also seriously hindered the attainment of employment objectives. That was particularly true in the case of countries which had not so far benefited from the gains of globalization, because they were not sufficiently competitive at the international level. In tandem with globalization, the rapid advancement of ICT had resulted in an increasingly networked global economy and a revolution in the world of work, where the notion of a "job" had taken on an entirely new meaning in terms of both form and content. In the "new economy", globalization and technological advancement were interlinked.

75. From a development perspective, the new knowledge-based economy would offer opportunities for new and faster growth patterns at the country level, based on new products, forms of employment and livelihoods, especially if the cost of ICT could be reduced. The impact of the new technology on employment was already visible in changes in the international division of labour and in the structure and functioning of domestic labour markets. Such changes were reflected in increased international competition in products both between countries and among firms in relation to costs and productivity. However, it had been noted that the benefits from the new technologies in terms of job creation and wealth generation were likely to be unevenly distributed between countries and within them owing to differential access to knowledge and to ICT.

76. Unlike other technological changes, the diffusion of ICT affected all economic sectors and organizational and work structures. That implied a fundamental rethinking of the character of employment and of the basis for production, as well as of their impact on the development process. Whereas in the past financial capital had been the main basis for the production of wealth, in the new economy knowledge would play a more important role in the development process. The basic objectives for development would be defined in terms of human resource development and the strengthening of the communication infrastructure. Thus, in the future, the key to poverty eradication might be found in new development models which emphasized the diffusion of knowledge and information technologies, rather than the mere transfer of financial capital.

77. ILO was so interested in information and communication technologies because certain trends were already discernable in respect of their impact on work and employment, and that new situation must necessarily be taken into consideration to create jobs and promote social development in an era of technological change and increasing globalization of trade and financial transactions. Globalization and technical advancement could thus result in work becoming less secure and more socially isolated than it had been in earlier production systems. As work became more flexible and more adaptable, it would be subject to less regulation, would be highly dispersed geographically and better diversified, which would no doubt open up new job opportunities but might also be detrimental to job security. Increased flexibility in the labour market could create more jobs for women both in the workplace and at home, but that would not

necessarily reduce gender inequalities in terms of access to quality jobs, pay and working conditions. On the other hand, much could be expected from it for the disabled, the long-term unemployed and older workers. Lastly, in the field of labour-management relations, new organizational structures of employers and workers must be defined to reflect the new forms of social dialogue and a new labour legislation must be put in place, in particular for home work, discrimination, freedom of association and collective bargaining in all the sectors where independent and contract workers might be unprotected by the existing legislation.

78. In conclusion, the key challenge for ILO would be ensure that ICT created new opportunities for women and men to obtain decent and productive work in conditions of freedom, equity, security and human dignity. As ICT costs fell, developing countries could make greater use of them to support their development objectives. Coordinated action by Governments, the private sector and social partners would be required at the firm, industry and State levels in order to make use of ICT opportunities to stimulate growth, create jobs and improve the quality of employment and people's livelihoods.

79. With its tripartite structure, ILO could contribute a great deal to strengthening social dialogue between Governments and representatives of business and labour and to helping labour market institutions to integrate ICT in the development process. Among the recent activities which illustrated the high priority given by ILO to the impact of ICT on the world of work were a tripartite international meeting on the impact of ICT on employment and working conditions in the media and entertainment industries, which would be followed by similar events for various sectors, the preparation of the 2001 edition of the *World Employment Report*, which would focus on ICT and employment, and participation in the high-level segment of the Economic and Social Council on the role of information technology in the context of a knowledge-based global economy.

The meeting rose at 1.10 p.m.